

# ***Exhibit B***

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Attorneys for Defendant  
BLOCKFI LENDING, LLC

**SUPERIOR COURT OF THE STATE OF CALIFORNIA**  
**COUNTY OF LOS ANGELES, BURBANK COURTHOUSE**

GEORGE GERRO, an individual,  
Plaintiff,

vs.

BLOCKFI LENDING LLC, a Delaware  
limited liability company; SCRATCH  
SERVICES, LLC, a Delaware limited  
liability company; and DOES 1 through  
100,

Defendants.

) **CASE NO.: 20BBCV00308**

)  
) **ASSIGNED FOR ALL PURPOSES TO:**  
) **Honorable William D. Stewart**  
) **Department A**

) **NOTICE OF ENTRY OF ORDER ON**  
) **MOTIONS TO STAY, OR IN THE**  
) **ALTERNATIVE TO DISMISS, THE**  
) **ACTION ON THE GROUND OF *FORUM***  
) ***NON CONVENIENS* OF DEFENDANTS**  
) **BLOCKFI LENDING, LLC AND**  
) **SCRATCH SERVICES, LLC**

Original Hearing Date: July 24, 2020  
Second Hearing Date: August 6, 2020  
Time: 1:30 p.m.  
Department: A

*First Amended*  
*Complaint Filed: May 13, 2020*


**TO PLAINTIFF AND TO HIS ATTORNEYS OF RECORD HEREIN:**

**PLEASE TAKE NOTICE** that, on August 6, 2020, the second hearing on the motions of Defendant BlockFi Lending, LLC (“BlockFi”) and Defendant Scratch Services, LLC (“Scratch”) to stay, or in the alternative to dismiss, the action of Plaintiff George Gerro on the ground of forum non conveniens (the “FNC Motions”) came on regularly for hearing before the Honorable William D. Stewart. David B. Clark appeared for Defendant BlockFi, Scott Hyman appeared via CourtCall for Defendant Scratch, and John Gerro and George Gerro appeared for Plaintiff George Gerro.

Pursuant to the Minute Order attached hereto as ***Exhibit “A”*** and incorporated herein by reference, the Court granted the FNC Motions, staying the claims of Plaintiff against BlockFi and Scratch. The Court accordingly stayed the case in its entirety.

DATED: August 11, 2020

HAYNES AND BOONE, LLP

By:   
David B. Clark  
Attorneys for Defendant  
BLOCKFI LENDING LLC

4814-1006-6119 v.1

# **EXHIBIT “A”**

**SUPERIOR COURT OF CALIFORNIA, COUNTY OF LOS ANGELES**

**Civil Division**

North Central District, Burbank Courthouse, Department A

**20BBCV00308**

August 10, 2020

**GEORGE GERRO vs BLOCKFI LENDING LLC, A**

2:52 PM

**DELAWARE LIMITED LIABILITY COMPANY**

Judge: Honorable William D. Stewart

CSR: None

Judicial Assistant: R. Hernandez

ERM: None

Courtroom Assistant: None

Deputy Sheriff: None

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**APPEARANCES:**

For Plaintiff(s): No Appearances

For Defendant(s): No Appearances

Other Appearance Notes: **\*\*NON-APPEARANCE\*\***

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**NATURE OF PROCEEDINGS: Ruling on Submitted Matter**

The Court, having taken the matter under submission on 08/06/2020, now rules as follows: (see below)

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On the instant matters heretofore taken under submission on August 06, 2020, the Court makes its ruling as follows:

In accordance with *Verdugo v Alliantgroup, L.P.*, (2015) 237 Cal.App.4th 141, the court finds that plaintiff has unwaivable rights under California law. These are: California Commercial Code Section 9626(b)(1); California Financial Code Sections 22161(a)(5-7), 22750(b) and 22752(a). Accordingly the burden shifts to moving party to show that litigation in the selected forum, in this case the courts of the State of Delaware, will not impinge or diminish in any way the plaintiff's unwaivable rights.

Moving party contends that "Delaware Courts Apply California Law When Fundamental California Public Policy is at Issue." In its SUPPLEMENTAL BRIEF OF DEFENDANT BLOCKFI LENDING LLC IN SUPPORT OF MOTION TO STAY, OR IN THE ALTERNATIVE TO DISMISS, THE ACTION ON THE GROUND OF FORUM NON

**SUPERIOR COURT OF CALIFORNIA, COUNTY OF LOS ANGELES**

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CONVENIENS filed July 31, 2020, defendant Blockfi Lending, LLC ( and joined in by the co-defendant Scratch Services, LLC) cites a number of decisions and rules that make clear that the stated policies of the courts in Delaware will apply California law when fundamental California public policy is at issue, as it is here. The court finds that defendants have met their burden and established that the courts of the State of Delaware will not impinge or diminish in any way the plaintiff's unwaivable rights.

The cited unwaivable rights and fundamental California public policy (California Commercial Code Section 9626(b)(1); California Financial Code Sections 22161(a)(5-7), 22750(b) and 22752(a).) are considered by this court to constitute the basis for the exercise of due process of law. (Plaintiff did not freely give up his unwaivable and fundamental rights when agreeing to the forum selection clause.) Accordingly, the court will not dismiss the action herein, but will grant a stay pending the resolution of the matter in the forum state selected in the agreement of the parties. When such litigation is concluded, any party may utilize this action to domesticate the sister-state judgment, subject to the requirements set forth herein, i.e., that the sister-state court has afforded the plaintiff his unwaivable rights in accordance with fundamental California public policy. The California court has the power to refuse to enforce a sister-state judgment which violates due process. See *Commercial National Bank of Peoria v Kermeen* (1990) 225 Cal.App.3rd 396.

Accordingly the court will grant the motion forum non conveniens and stay the within action, pending resolution of the dispute in accordance with the forum selection clause in the agreement at issue in the litigation. The court sets the date of April 7, 2021 at 9:30 AM in Dept. A for an OSC re status of sister-state litigation.

Since the issues raised in the demurrer should be considered by the court which will hear the merits of the controversy as a matter of comity, the court orders the demurrer off calendar.

Moving party is ordered to give notice of these orders and findings.

A copy of this minute order is mailed to counsel for appearing parties.

The Motion to Stay Execution or in the Alternative to Dismiss, the Action on the Grounds of Forum Non-Conveniens filed by Blockfi Lending LLC, a Delaware Limited Liability Company on 06/10/2020 is Granted.

The Motion for Stay of Proceedings or in the Alternative Dismiss filed by Scratch Services,

**SUPERIOR COURT OF CALIFORNIA, COUNTY OF LOS ANGELES**

**Civil Division**

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ERM: None

Courtroom Assistant: None

Deputy Sheriff: None

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LLC, a Delaware Limited Liability Company on 06/15/2020 is Granted.

The Court hereby stays the case in its entirety.

Order to Show Cause Re: re Status of Sister-State Litigation is scheduled for 04/07/2021 at 09:30 AM in Department A at Burbank Courthouse.

Certificate of Mailing is attached.

**PROOF OF SERVICE**

**STATE OF CALIFORNIA, COUNTY OF LOS ANGELES**

I am employed in the County of Orange, State of California. I am over the age of 18 and am not a party to the within action; my business address is 600 Anton Boulevard, Suite 700, Costa Mesa, California 92626.

On *August 11, 2020*, I served a true and correct copy of the document entitled: ***NOTICE OF ENTRY OF ORDER ON MOTIONS TO STAY, OR IN THE ALTERNATIVE TO DISMISS, THE ACTION ON THE GROUND OF FORUM NON CONVENIENS OF DEFENDANTS BLOCKFI LENDING, LLC AND SCRATCH SERVICES, LLC*** on the interested parties in this action by placing true copies thereof, enclosed in sealed envelopes, as indicated below and addressed as follows:

John M. Gerro, Esq. George J. Gerro, Esq. Law Offices of Gerro & Gerro 530 S. Glenoaks Boulevard Suite 200 Burbank, CA 91502 Telephone: (818) 840-0000 E-Mail: john@gerrolaw.com george@gerrolaw.com  [Attorneys for Plaintiff]	Scott J. Hyman, Esq. Severson & Werson The Atrium, 19100 Von Karman Avenue Suite 700 Irvine, CA 92612 Telephone: (949) 442-7110 E-Mail: sjh@severson.com  [Attorneys for Defendant Scratch Services, LLC]
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☒ **(By U.S. Mail)** I am readily familiar with my employer's business practice for collection and processing of correspondence for mailing with the United States Postal Service. I am aware that on motion of the party served, service is presumed invalid if postal cancellation date or postage meter is more than one day after date of deposit for mailing in affidavit. I caused such envelope, with postage thereon fully prepaid, to be placed in the United States Mail at Costa Mesa, California as indicated above.

☒ **(By Electronic Delivery)** Pursuant to C.C.P. § 1010.6, I served true and correct copies of the foregoing document by electronic delivery to the interested parties in this action as indicated on the attached Service/Mailing List.

☐ **(By Express Delivery)** I served a true and correct copy, enclosed in sealed Fedex envelopes, for collection and for delivery marked for next day delivery in the ordinary course of business, addressed to the office of the addressees as indicated above.

I declare under penalty of perjury under the laws of the State of California that the foregoing is true and correct. Executed on *August 11, 2020*, at Costa Mesa, California.

*Kelley L. Saunders*

Kelley L. Saunders